

## **EXHIBIT 1**

# Here's how the locked-down Saudi Arabia-Qatar border became one of the tensest places on earth, sparking outrageous plans to build a 37-mile-long canal and turn Qatar into an island

Bill Bostock Aug. 1, 2019, 6:02 AM



Saudi crown prince Mohammed bin Salman (L) and the Emir of Qatar Tamim bin Hamad al-Thani (R). Reuters

- **Saudi Arabia and Qatar have been at each other's throats since a June 2017 bust-up saw the Kingdom sever ties with its neighbor.**
- **The Saudis, backed by several Gulf states, accused Qatar of supporting terrorism and backing Saudi Arabia's mortal enemy — Iran.**
- **The 41-mile land border which used to let in 40% of Qatar's food was sealed off, and has remained so since.**
- **Here's what's going on and why the dispute shows no sign of letting up.**
- **Visit Business Insider's homepage for more stories.**

In June 2017, Saudi Arabia cut all diplomatic and trade ties with its neighbor Qatar in dramatic circumstances, shunning the peninsula.

The Saudis, backed by several Gulf states who consider Saudi to be the regional hegemon, accused Qatar of supporting terrorists, and siding with Iran, Saudi Arabia's arch nemesis.

Qatar's only border, shared with Saudi Arabia, used to let in 40% of all Qatar's food imports. It was closed, and remains a ghost-town to this day.

The dispute hit new heights in late 2018, when Saudi Arabia said it planned to entirely sever Qatar from the mainland by digging a huge canal.

Here's what has happened, and what's likely to happen next.

The Qatari-Saudi border has been closed  
**for more than 2 years after a huge falling out  
 between Qatar and the Saudi-led Gulf  
 Cooperation Council (GCC). Here's why.**

Saudi crown prince Mohammed bin Salman (L) and the Emir of Qatar Tamim bin Hamad al-Thani. Reuters

**Qatar is a tiny peninsula, sharing its only land border with Saudi Arabia, the de-facto leader and hegemon of the seven Gulf states.**

**Qatar in relation to Saudi Arabia.** Google Maps

The Gulf states are Iraq, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

Iraq did not join the boycott, and [continues to strengthen its political and financial relationship with Qatar](#).

**The border, with Saudi Arabia's Rub al-Khali desert on one side, is just 41 miles long.**

**The Qatari border with Saudi Arabia.** Google Maps

**Until the blockade, the border processed 40% of Qatar's food imports. Since June 5, 2017, it's been closed, a result of the massive fallout between the Saudi-led GCC and Qatar.**

**The Saudi-Qatar border is a ghost-town.** France 24

**The spark which ignited the fallout was a comment allegedly made by Qatar Emir Sheikh Tamim cited in state media. It slammed Saudi Arabia, and praised their nemesis Iran.**

**Qatari Emir Sheikh Tamim.** Reuters

"There is no reason behind Arabs' hostility to Iran and our [Qatar's] relationship with Israel is good," Sheikh Tamim was alleged to have said.

Qatar says the state media outlet was hacked by the UAE, and that Sheikh Tamim did not make the comments.

They deleted the statement immediately.

Source: [BBC](#)

**Fake comment or not, Saudi Arabia had long taken issue with Qatar's open support of the Muslim Brotherhood, an Islamist group, and of Iran, Saudi Arabia's nemesis.**

**The Saudi-Qatar border is a ghost-town** France 24

Saudi Arabia accused Qatar of "grave violations being committed by the authorities in Doha over the past years in secret and public aiming at dividing internal Saudi ranks."

**SPONSORED FINANCIAL CONTENT**

**Compare 2019 Online Brokers- Pros, Cons & Current Offers** NerdWallet

**Cannabis Stock Gets \$1.1 Billion Bet From CEO** The Motley Fool

**Economist Warns: "This could be worse than 1929."** Dent Research

**The Man Who Predicted the Smartphone in 1994 Issues Shocking Prophecy** Choose Yourself Financial

**Retire rich on a little-known dividend paying stock that's \$3** Oxford Communiqué

dianomi

**POPULAR FROM BI PRIME**

**Facebook is reviewing hundreds of its official 'Facebook Marketing Partners' over Instagram data-scraping issues**

The Qatar-Saudi border is as tense as ever. Here's why. - Business Insider

They also said Qatar was "adopting various terrorist and sectarian groups aimed at destabilizing the region including the Muslim Brotherhood Group, Daesh (ISIS), and Al-Qaeda."

Bahrain said Qatar was "shaking the security and stability of Bahrain and meddling in its affairs."

At the time Qatar said the boycott was "unjustified" and "based on claims and allegations that have no basis in fact."

Source: [Saudi Press Agency](#), [Yemen Extra](#), [Reuters](#)

---

**Qatar says the Muslim Brotherhood is a moderate political movement that can help regional stability. Saudi Arabia named the Brotherhood an agent of terror in March 2014.**

**Members of the Muslim Brotherhood hold up the group's Rabia hand sign.**  
REUTERS/Amr Abdallah Dalsh

Source: [Washington Post](#)

---

**Qatar and Saudi have never been bosom friends. Qatar became so wealthy in the 1960s by utilizing its oil and gas reserves that it was able to distance itself from Riyadh and pursue its own agenda.**

**The logo of Qatar Petroleum, headquartered in Doha.** Reuters

---

**Despite their wealth, when the border was closed, Qataris panicked, prompting a mass rush on grocery stores amid fears of a food shortage.**

Matt Cardy/Getty Images

Source: [Doha News](#)

---

**Qatar then doubled down on its shipping activity.**

**A ship docked at Doha's port.** Reuters

Thanks to the country's proximity to major shipping routes like the Strait of Hormuz Qatar's gas and oil trade has continued uninterrupted.

Qatar also pulled new food supplies from Turkey, Iran and India.

Source: [Bloomberg](#)

---

**President Donald Trump has even weighed in on the rift, pointing the finger at Qatar for funding instability and terrorism in the region.**

**A tweet sent by Donald Trump calling on Gulf nations to isolate Iran.**  
TwitterrealDonaldTrump

The Qatar-Saudi border is as tense as ever. Here's why. - Business Insider  
 Saudi Arabia has long been a key ally to the US in the  
 Middle East, so Trump's support was unsurprising.

Qatar has routinely denied supporting terrorism.

---

**When the dispute reached its peak in 2017, Saudi Arabia, the UAE, and Bahrain gave Qatari visitors and expats just two weeks to leave, and forbid their citizens from entering Qatar.**

A woman and three children enjoy the waterfront along the Persian Gulf across from new, budding financial district skyscrapers on October 24, 2011 in Doha, Qatar. Getty Images

The UAE and Egypt gave Qatari diplomats just 48 hours to leave.

Source: [BBC](#)

---



---

**Qatar Airways, the national flag-carrier, was barred from using Saudi airspace, as were all flights in and out of Doha.**

This image shows all the planes flying into, or from, Qatar's Doha Hamad International Airport on July 17, 2019. Not one aircraft is inside Saudi airspace. Flight Radar 24

---

**As the issues worsened, the US and Kuwait unsuccessfully tried to convince the parties to make peace.**

**U.S. Secretary of State Mike Pompeo meets with Saudi Foreign Minister Adel al-Jubeir in Riyadh, Saudi Arabia.** Reuters/Leah Millis/Pool

The US considers Saudi Arabia the key to counter-balancing Iran in the Middle East, and has tried hard, but so-far unsuccessfully, to sway Riyadh to end the Qatar blockade.

The US wants Qatar to be part of the proposed Middle East Strategic Alliance (MESA) — a multi-country effort to check Iranian power in the region.

**Critics say** MESA is a guise for the US to pull forces out of the area, without letting Iranian, Russian, or Chinese influence grow.

Progress seemed to have been made in Riyadh in October 2018, after [Crown Prince Mohamed bin Salman praised](#) Qatar at the Future Investment Initiative, known as "Davos in the Desert."

"Qatar, despite the differences we have, has a great economy and they will be doing a lot in the next five years," he said.

Source: [New York Times](#)

---



---

**The feud impacted all Qataris — just before it was closed Saudi Arabia drove 12,000 Qatari camels and sheep back across the border.**

A racing camel in the Saudi desert. Christopher Furlong/Getty Images

Hundreds of camels died of thirst in the process, al-Araby reported, and farmers were forced to pay up to QR3000 (\$824) per camel," a source told The Peninsular.

X

---

**Qatar is one of the world's richest countries, and confidently struck out on its own from the Gulf coalition orchestrated by Saudi Arabia against Iran.**

The Pearl, Qatar. DigitalGlobe

Qatar has the second highest gross domestic product per capita in the world — at \$129,700 — after Luxembourg's \$139,100, according to the CIA World Factbook.

---

**Qatar's wealth derives from the South Pars/North Dome Gas field — the world's largest — which it shares with Iran. The gas field is located in the Persian Gulf.**

A natural gas refinery at the South Pars gas field on the northern coast of the Persian Gulf. Associated Press

---

**In June 2018, pro-government media reported Saudi Arabia was to turn Qatar into an island by digging a monstrous canal parallel to the border.**

The proposed Salwa Canal severing Qatar from Saudi Arabia. Luis Vazquez/Gulf News

The 37 mile-long and 200-meter-wide "Salwa Canal" would cut off the two nations, but part of Saudi Arabia would remain part of the newly created Qatari island.

It is estimated to cost Saudi Arabia 2.8 billion riyals (\$747 million.)

The Saudi territory on the Qatari side of the canal will be used as a nuclear waste facility.

Some saw the move as an empty threat, but in August 2018 a senior government official confirmed the project, and expressed excitement over its potential.

Source: Reuters

---



---

**Qatari-Saudi relations soured further after Qatar-owned TV network Al Jazeera relentlessly covered the murder of journalist Jamal Khashoggi in October 2018.**

Surveillance footage published by Turkish newspaper Hurriyet purports to show Jamal Khashoggi entering the Saudi consulate in Istanbul on October 2. CCTV/Hurriyet via AP

Khashoggi, who was a staunch critic of the Saudi regime, was killed in the Saudi Arabian consulate in Istanbul, Turkey. It is widely believed in the West that his death was ordered from high up in the Saudi government, with the CIA concluding that Crown Prince Mohammed Bin Salman likely ordered the killing.

Source: Wall Street Journal, Washington Post

**The US' position has changed throughout the conflict. After initially supporting Saudi action, Donald Trump has softened to Qatar.**

Donald Trump and Emir Sheikh Tamim bin Hamad Al Thani, July 9, 2019. AP

In July 2019, during a White House visit from Sheikh Tamim, Trump thanked his "old friend" for Qatari investments and weapons purchases, which support the US economy.

Qatar had just signed off on \$370 billion worth of investments with US companies.

Sheikh Tamim told Donald Trump at the signing: "We trust the economy here."

Source: [Bloomberg](#)

**In May 2019, it looked like frosty relations could be thawing, after Qatar's prime minister attended an emergency Iran summit in Saudi Arabia.**

Qatar's Prime Minister Sheikh Abdullah bin Nasser Al Thani at an emergency Arab summit in Mecca, Saudi Arabia, Thursday, May 30, 2019. AP

Saudi Arabia's King Salman called the summit to discuss how the international community must use all means to confront Iran, but said Saudi Arabia wants peace.

No progress between Saudi Arabia and Qatar was made at the summit with Qatar's foreign minister, Sheikh Mohammed bin Abdulrahman Al Thani concluding: "The Gulf summit statement talked about a unified Gulf, but where is it amid the continuation of Qatar's blockade?"

Source: [The Associated Press](#)

**No breakthrough has come, and tensions remain high.**

Doha. Thomson Reuters

Gulf analyst Dr Kristian Coates Ulrichsen, a fellow for the Middle East at the Baker Institute for Public Policy at Rice University in Houston, told Business Insider the tensions show no sign of abating.

"I don't see any imminent signs of a thaw in the blockade of Qatar by Saudi Arabia and the UAE."

"The Qatari Prime Minister's participation at the Mecca Summits in Saudi Arabia at the end of May did not lead to any breakthrough, as some beforehand had hoped it might."

"The leadership in Abu Dhabi remains resolutely opposed to any normalization of ties and easing of the blockade."

More: [Features](#) [News UK](#) [Saudi Arabia](#) [Qatar](#) ▾

\* Copyright © 2019 Insider Inc. All rights reserved. Registration on or use of this site constitutes acceptance of our [Terms of Service](#), [Privacy Policy](#) and [Cookies Policy](#).  
[Sitemap](#) | [Disclaimer](#) | [Commerce Policy](#) | [Coupons](#) | [Made in NYC](#) | Stock quotes by [finanzen.net](#)  
International Editions: [INTL](#) | [DE](#) | [AUS](#) | [FR](#) | [IN](#) | [IT](#) | [JP](#) | [MY](#) | [NL](#) | [SE](#) | [PL](#) | [SG](#) | [ZA](#) | [ES](#)